

**AQAA  
DAR COUNCIL ACTIVITY REPORT  
06 November 1996**

**FAR/DFARS Cases Discussed:**

96-023	<b>Clause Flowdown--Commercial Items:</b> Clarifies clause flowdown requirements of FAR 52.244-6, Subcontracts for Commercial Items and Commercial Components. Modifies text of clause consistent with that in FAR 52.215-5, which is applicable to the purchase of commercial items at the prime contract level.	Agreed to proposed rule.
96-306	<b>Exception to Requirement for Certified Cost or Pricing Data:</b> Implements section 4201, FY96 Defense Authorization Act. Revises FAR to exempt suppliers of commercial items under contracts and subcontracts with Federal agencies from requirement to submit certified cost or pricing data.	Agreed to final rule.
96-324	<b>Limitation on Indirect Cost Audits:</b> Implements section 808, PL 104-201, which expands the required audit reciprocity among Federal agencies to include post-award audits.	Agreed to final rule.
96-D026	<b>Commercial Transactions with the Government of a Terrorist Country:</b> Deletes requirements for defense contractors to disclose and report commercial transactions with governments of terrorist countries, previously implemented by Section 843, FY94 Defense Authorization Act PL 103-160. FY97 Defense Authorization Act does not contain an extension of this requirement.	Agreed to final rule.
96-D333	<b>Revisions to Berry Amendment:</b> Implements Section 8109, FY97 Defense Appropriations Act, PL 104-208, which defines "synthetic fabric and coated synthetic fabric" to include all textile fibers and yarns that are for use in such fabrics. Requires Section 34, PL 93-400 (41 USC 430) to apply to contracts and subcontracts for the procurement of commercial items that are articles or items, specialty metals, or tools covered by Section 9005, PL 102-396.	Agreed to interim rule.
96-D330	<b>Individual Compensation:</b> Implements Section 8107, FY97 Defense Appropriations Act, PL 104-208, which provides that no funds may be obligated for payment on new contracts on which allowable costs charged to the Government include payments for individual compensation at a rate in excess of \$250,000 per year.	Agreed to interim rule to be published subsequent to FAR rule.
96-D025	<b>Small Business Competitiveness Demonstration Program--Dredging:</b> Case initiated at the request of the Small Business Committee. Removes DFARS 219.1005(a) because the statutory authority for that cite, Section 772, Title II, PL 102-366, has expired and was not renewed under the FY97 Authorization Act.	No reclama.

**NOTE 1:** Far Case 95-029, Part 15 - Rewrite, Phase I, public comment period has been extended from 11/19/96 to 11/26/96.

**NOTE 2:** FAR Case 95-008, Competitive Range, public comment period has been extended from 11/19/96 to 11/26/96.